

**TOWN OF LONE WOLF
LONE WOLF, OKLAHOMA**

**AGREED UPON PROCEDURES
AND ACCOMPANYING
AUDITOR'S REPORT**

**FOR THE YEAR ENDED
JUNE 30, 2022**



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**Members of American
Institute of Certified
Public Accountants**

**Members of Oklahoma
Society of Certified
Public Accountants**

Practitioner's Report on Applying Agreed-Upon Procedures

To the Specified Users of the Report:

Town Board, Town of Lone Wolf
Lone Wolf, Oklahoma

Trustees of the Lone Wolf Public Works Authority
Lone Wolf, Oklahoma

Oklahoma Office of State Auditor and Inspector
Oklahoma City, Oklahoma

We have performed the procedures enumerated below as defined within the applicable state laws of the State of Oklahoma solely to assist the Town of Lone Wolf (the "Town") and the Lone Wolf Public Works Authority (the "Authority") in meeting its financial accountability requirements as prescribed by applicable Oklahoma law and evaluating compliance with specified legal or contractual requirements for the fiscal year ended June 30, 2022. Management of the Town of Lone Wolf and the Lone Wolf Public Works Authority are responsible for the Town's and Authority's financial accountability and its compliance with those legal and contractual requirements.

The Town of Lone Wolf and the Lone Wolf Public Works Authority have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of meeting its financial accountability requirements as prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1-.3. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

Procedures and Findings

As to the Town of Lone Wolf as of and for the fiscal year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of changes in fund balances for each fund from the Town's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit I. Finding is reported for the Celebration Fund having a negative fund balance of \$5.00 as of June 30, 2022. The Town should plan adequately to transfer funds as needed to cover all expenditures in the Celebration Fund.

- II. **Procedures Performed:** Prepare a budget and actual financial schedule for the General Fund and any other significant funds listing separately each federal fund and compare the actual expenditures reported to the authorized appropriations to report any noted instances on noncompliance with the appropriation limitations.

Findings: See Exhibit II.

- III. **Procedures Performed:** Agree the Town's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No instances of noncompliance noted.

- IV. **Procedures Performed:** Compare the Town's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- V. **Procedures Performed:** Compare use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the accounting for the Town's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VII. **Procedures Performed:** Compare the Town's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: No such compliance requirements were identified that were applicable to the City.

As to the Lone Wolf Public Works Authority, as of and for the year ended June 30, 2022:

- I. **Procedures Performed:** Prepare a schedule of revenues, expenditures and changes in fund balance-modified cash basis from the Authority's trial balances and compare the schedule results to the statutory prohibition of creating fund balance deficits to report any noted instances of noncompliance.

Findings: See Exhibit III. No instances of noncompliance noted.

- II. **Procedures Performed:** Agree the Authority's material bank account balances to bank statements and traced the timely clearance of significant reconciling items to report any significant or unusual instances of reconciling items that have not cleared.

Findings: No unusual reconciling items were noted that did not clear on a timely basis.

- III. **Procedures Performed:** Compare the Authority's uninsured deposits to fair value of pledged collateral to report any amounts of uninsured and uncollateralized deposits.

Findings: No instances of noncompliance noted. All deposits were insured or collateralized at June 30, 2022.

- IV. **Procedures Performed:** Compare the Authority's use of material-restricted revenues and resources to their restrictions to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- V. **Procedures Performed:** Compare the accounting for the Authority's activities by fund to the legal and contractual requirements for separate funds to report any noted instances of noncompliance.

Findings: No instances of noncompliance noted.

- VI. **Procedures Performed:** Compare the Authority's account balances in reserve accounts to contractually required balances and debt service coverage requirements of bond indentures to the actual coverage to report any noted instances of noncompliance.

Findings: The Authority had no debt, therefore no debt service coverage requirements of bond indentures were evaluated for compliance.

We were engaged by The Town of Lone Wolf and the Lone Wolf Public Works Authority to perform this agree-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and the additional requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, to meet the requirements prescribed in Oklahoma Statutes 11-17.105-.107 and 60-180.1.-3. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of The Town of Lone Wolf and the Lone Wolf Public Works Authority and to meet our ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of the specified users, as identified above, and is not intended to be and should not be used by anyone other than those specified parties.



Clinton, Oklahoma
January 2, 2023

TOWN OF LONE WOLF, OKLAHOMA
SUMMARY OF CHANGES IN FUND BALANCES - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Beginning of Year Fund Balance</u>	<u>Current Year Change</u>	<u>End of Year Fund Balance</u>
TOWN OF LONE WOLF, OK			
General Fund	\$ 139,367	46,469	\$ 185,836
Celebration Fund	1,310	(1,315)	(5)
Fireman's Assocaition Fund	-	1,206	1,206
Cemetery Association Fund	-	3,241	3,241
ENTERPRISE FUNDS			
Public Works Authority	175,628	185,589	361,217
Public Works Authority - Meter Deposits	1,526	-	1,526
Public Works Authority - CIP Fund	5,994	36,391	42,385
TOTAL	<u>\$ 323,825</u>	<u>\$ 271,581</u>	<u>\$ 595,406</u>

TOWN OF LONE WOLF, OKLAHOMA
BUDGETARY COMPARISON SCHEDULE - MODIFIED CASH BASIS
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2022

	Budgeted Amounts Original	Actual Amounts	Variance with Final Budget Positive (Negative)
Beginning Budgetary Fund Balance:	\$ 113,781	\$ 139,367	\$ 25,586
Resources (Inflows):			
Sales	69,109	77,803	8,694
Use	19,036	19,628	592
Franchise	9,623	10,703	1,080
Other Taxes	16,378	15,597	(781)
Other Revenue	45,621	47,483	1,862
Total current year resources	<u>159,767</u>	<u>171,214</u>	<u>11,447</u>
Amounts available for appropriation	<u>\$ 273,548</u>	<u>\$ 310,581</u>	<u>\$ 37,033</u>
Charges to Appropriations (Outflows):			
General Government:			
Personal services	18,103	17,667	436
Materials and supplies	5,000	4,136	864
Other charges and services	100,000	97,647	2,353
Total General Government	<u>123,103</u>	<u>119,450</u>	<u>3,653</u>
Street and Alley			
Personal Services	2,500	-	2,500
Other charges and services	622	-	622
Total Street and Alley	<u>3,122</u>	<u>-</u>	<u>3,122</u>
Fire Department			
Personal Services	1,500	840	660
Materials and supplies	2,000	2,649	(649)
Other charges and services	6,500	4,157	2,343
Total Fire Department	<u>10,000</u>	<u>7,646</u>	<u>2,354</u>
Total current year appropriations	<u>136,225</u>	<u>127,096</u>	<u>9,129</u>
Transfers Out (In)	<u>(40,000)</u>	<u>(2,351)</u>	<u>(37,649)</u>
Total charges to appropriations	<u>\$ 96,225</u>	<u>\$ 124,745</u>	<u>\$ (28,520)</u>
Change in Fund Balance	<u>63,542</u>	<u>46,469</u>	
Ending Budgetary Fund Balance	<u><u>\$ 177,323</u></u>	<u><u>\$ 185,836</u></u>	

LONE WOLF PUBLIC WORKS AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND
BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Operating Net Income:

Water Revenue	\$ 155,417
Water Expenses	<u>57,755</u>
Water Operating Income	<u>97,662</u>

Sewer Revenue	63,988
Sewer Expenses	<u>1,921</u>
Sewer Operating Income	<u>62,067</u>

Trash Revenue	89,830
Trash Expenses	<u>58,656</u>
Trash Operating Income	<u>31,174</u>

Total Operating Net Income:	<u>190,903</u>
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Non-Operating Net Income:

Admin Revenue	106,293
Admin Expenses	(109,256)
Grant Revenue	-
Grant Expenses	-
Quartz Mountain Water Plant Revenue	36,000
Transfers In/(Out)	<u>(38,351)</u>

Total Non-Operating Net Income:	<u>(5,314)</u>
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Total Change in Fund Balance	185,589
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Beginning Budgetary Fund Balance	175,628
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Ending Budgetary Fund Balance	<u><u>\$ 361,217</u></u>
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LONE WOLF CIP FUND
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND
BALANCE - MODIFIED CASH BASIS
FOR THE YEAR ENDED JUNE 30, 2022

Non-Operating Net Income (Expenses)	
Admin Revenue	395
Admin Expenses	(4)
Transfers In/(Out)	36,000
Total Non-Operating Net Income:	<u>36,391</u>
Total Change in Fund Balance	36,391
Beginning Budgetary Fund Balance	5,994
Ending Budgetary Fund Balance	<u>\$ 42,385</u>